



DEPARTMENT OF TRANSPORTATION CAPITAL PROGRAMMING MANUAL

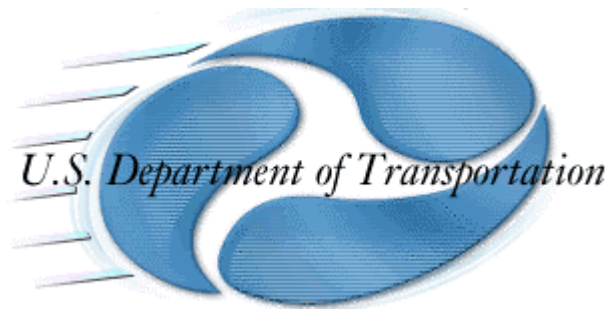


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SECTION I - GENERAL INFORMATION

1. PURPOSE. The purpose of this Manual is to:

- a. Ensure, through the use of a structured and integrated capital programming process compliant with statutory and federal guidance, that DOT organizations make sound business investments supportive of strategic goals and that they effectively manage and control their investment portfolio.
- b. Employ a ONE DOT cross-cutting perspective for those investments in capital assets which affect multiple organizations.
- c. Simplify and streamline capital asset information gathering by providing a single source of Departmental guidance.

2. SCOPE. DOT organizations must employ a capital planning process to manage their capital portfolios when appropriated funds are used to acquire, implement and operate capital assets. Working capital and fee-for-service organizations need only address assets for their internal use or that support multiple DOT organizations.

3. POLICY. Pursuant to statute and executive branch policies, DOT capital programming policy is to:

- a. Ensure that each DOT organization has a decision-making infrastructure and appropriate capital programming process in place to make sound business investments based on thorough planning, risk management, project prioritization and funding availability.
- b. Provide a comprehensive, enterprise-wide approach to ensure that DOT organization capital investments are directly linked to the accomplishment of DOT missions, strategic goals, and corporate objectives.
- c. Delegate to the head of each DOT organization the responsibility for approving capital investment and portfolio management decisions.
- d. Incorporate as appropriate, existing processes and deliberative forums of DOT organizations into the Departmental capital programming guidance.
- e. Enable senior management to identify opportunities for consolidating requirements and investments which affect multiple DOT organizations (e.g., administrative systems, information technology (IT) infrastructure, and real property) and for ensuring asset compatibility.
- f. Comply with the capital programming related documents referenced in Appendix 2.

4. RESPONSIBILITIES:

a. Heads of DOT Organizations.

- 1) Manage the investment portfolio of the DOT organization and identify potential cross-cutting, cost-sharing opportunities.
- 2) Implement capital programming processes within the DOT organization that are based on the OMB Capital Programming Guide, and that are integrated with other related processes (e.g., strategic planning, budgeting, acquisition, and program management).
- 3) Ensure DOT Organization Capital Plans (OCPs) are prepared and updated in a timely manner and that accurate and complete information is provided.
- 4) Ensure that each DOT organization provides a summary report to the SMC on its success in meeting, on average 90% of the established cost, schedule and performance goals established for all programs. Guidance and format information on the summary report will be provided in the Website Library at: <http://capprog.dot.gov>.

b. DOT Secretary's Management Council (SMC).

- 1) Determines, based on input from DOT councils, which prospective cross-cutting requirements and investments are candidates for consolidation and/or reengineering.
- 2) Ensures that cross-cutting capital investment decisions are integrated into the DOT strategic planning, budget, procurement, and asset management processes.

c. DOT Functional Councils and Committees.

- 1) Provide, as part of their regular business, expertise, support, and advice to the DOT SMC in identifying potential cross-cutting investment opportunities.
- 2) Coordinate the collection and analysis of information within each council/committee member's respective DOT organization and present the position of the member's DOT organization to the DOT SMC.

5. IMPLEMENTATION TIMEFRAME. Within 6 months of the effective date of this guidance, all DOT Organizations are to have in place, a fully implemented capital programming process. By September 30, 2001, DOT organizations will have developed on-line versions of their OCPs which can be viewed through links from the DOT Capital Programming website.

SECTION II - THE CAPITAL PROGRAMMING PROCESS

1. **GENERAL PROCESS REQUIREMENTS.** In order to enable DOT to strategically manage capital assets to accomplish its overall missions, each DOT organization is responsible for supplementing this Departmental guidance by establishing and implementing its own internal capital programming process. DOT organization processes will be incorporated by reference in this manual (see *Appendix 2*) as they become available electronically.
 - a. An appropriately structured DOT organization internal executive review and approval should be undertaken for selecting and monitoring all individual capital investments.
 - i. This should include at a minimum, approval of such investments at a suitable level within the DOT organization commensurate with the importance of the investment, and review by budget, acquisition, policy, and IT staffs as appropriate.
 - ii. All capital asset investments should have been through such an internal executive review before being included in a formal budget submission to OST.
 - b. Each DOT organization is encouraged to design and use a capital investment approach (or make use of an existing system) which is consistent with the attainment of overall DOT strategic goals, but which reflects the unique structure, needs and missions of that organization.
 - i. Each DOT organization's capital programming process should reflect the unique needs of that organization's investment portfolio, and comply with the applicable requirements of the statutes and related guidance specified in Appendix 2 of this manual, and prudent business practice.
 - ii. In developing its capital programming process, each DOT organization should consider the materiality of the investment to the agency -- both its cost and its strategic significance -- in determining the level of analysis devoted to capital programming.
 1. A stratified capital programming process involving phased levels of decision-making and management based on the size or strategic importance of proposed investments is appropriate, particularly for large DOT organizations.
 2. An extensive analysis and focused management should be applied to major investments as defined by each DOT organization.

3. For small dollar investments relative to each DOT organization's budget, the DOT organization may develop a less extensive decision and management process based on the basic tenets of capital programming.
- iii. Each DOT organization's internal capital programming process should address, and be used to provide, information for use in the DOT budget process and for formation of discrete Organization Capital Plans (OCP) and the overall DOT Capital Plan (DCP).
- c. The process should be predicated on the use of a set of strategic evaluation criteria or decisional standards. Recommended criteria that DOT organizations could employ to make judicious portfolio investment decisions are shown in Appendix 5. Such investment decisions should be made without regard to the types of funding employed.
- d. The heads of DOT organizations possess and are responsible for exercising the acquisition authority for making key acquisition and program decisions within their respective organizations. They are also responsible for ensuring that a summary report is provided to the SMC on the DOT organization's success in meeting, on average 90% of the established cost, schedule and performance goals established for all programs.

2. STRATEGIC INVESTMENT CRITERIA. As part of the capital programming process, each DOT organization should determine the fundamental soundness of investments covered by this manual.

- a. Capital programming decisions should be made after careful consideration of each investment's contribution to accomplishing planned goals and objectives while balancing this contribution against budget constraints and other programs being considered.
- b. The information included in OCPs and budget submissions should:
 - i. reflect the use of strategic investment criteria;
 - ii. be used to support the decisions made by DOT organizations;
 - iii. be used to document the decisions made; and
 - iv. support the capital investment from a programmatic and budgetary perspective.
- c. See *Appendix 5, Recommended Strategic Investment Criteria*, for full details.

- 3. CAPITAL PLANS.** Each DOT organization shall develop and maintain a capital plan in accordance with statutes and OMB guidance.
- a. The compilation of all DOT organization OCPs will form the basis of the DCP.
 - b. The DCP will be assembled, analyzed and reviewed to ensure that it is consistent with the stated strategic goals and objectives of the Department, as well as to identify opportunities for cross-cutting efficiencies.
 - c. The information included in the DCP will be used as a management tool for the senior DOT leadership and various councils.
 - d. DOT organizations are to develop on-line versions of their OCPs which can be viewed through links from the DOT Capital Programming website. The compilation of these OCP hotlinks will comprise the DCP.
- 4. CAPITAL PROGRAMMING PROFILES.** The head of each DOT organization must ensure that a Capital Programming Profile (CPP) is prepared in accordance with *Appendix 4* for IT investments that are addressed through the capital programming process. DOT Organizations are encouraged to use CPPs for non-IT investments as well.

SECTION III - CROSS-CUTTING CAPITAL PROGRAMMING PROCESS

1. PROCESS DESCRIPTION: Linking of capital programming and the strategic planning, budget, acquisition, and program management processes will help DOT senior leadership identify potential cross-cutting efficiencies that can be attained within DOT. The SMC and DOT functional councils/committees will use OCP data to gain insight into the overall contribution and affordability of investments in terms of accomplishing the strategic missions and goals of the Department. The investment information provided in OCPs will be reviewed to identify potential cross-cutting opportunities. Reviews and deliberations should take into consideration announced Departmental priorities, and initiatives of the Secretary or heads of DOT organizations.

2. CROSS-CUTTING PROCESS INTEGRATED INTO BUDGET CYCLE. The following table defines the FY 2003 cross-cutting capital asset requirement process and shows the linkage with the budget process. The process repeats with each ensuing budget cycle.

Estimated Dates	Events
Aug – Dec 2000	<ul style="list-style-type: none"> DOT-wide Councils (e.g., CFO, CIO, RTCC, Policy, Safety, AMC, PMC, HR, etc.) begin identification of potential cross-cutting investment opportunities, as part of their regular business, using Five-Year Capital Plans, Five-Year IT Plan/database, previous budgets, etc.
Jan 2001	<ul style="list-style-type: none"> Councils generate lists of potential cross-cutting opportunities, identifying FY 2003 and outyear initiatives and provide to SMC. SMC reviews potential cross-cutting opportunities.
Feb 2001	<ul style="list-style-type: none"> SMC makes cross-cutting priority selections and notifies applicable Councils of selections. Councils analyze cross-cutting opportunities to reach consensus/identify concerns, exceptions.
Mar 2001	<ul style="list-style-type: none"> OST/B notifies Secretarial, Modal, and Council senior leadership of April budget retreat, and calls for modal and cross-cutting budget initiatives. Councils prepare papers on cross-cutting initiatives for presentation at the April budget retreat. DOT organizations reconcile cross-cutting opportunities with their budgets/initiatives.
Apr 2001	<ul style="list-style-type: none"> OST/B sponsors budget retreat, with Councils presenting cross-cutting initiatives.
May 2001	<ul style="list-style-type: none"> OST/B sends out FY 2003 budget guidance.
Jun 2001	<ul style="list-style-type: none"> OAs/OST offices prepare FY 2003 budget submissions, incorporating cross-cutting initiatives.
Jul 2001	<ul style="list-style-type: none"> OAs/OST offices submit FY 2003 budgets to OST/B. OST/B coordinates review of budget submissions within OST and with various councils.
Aug 2001	<ul style="list-style-type: none"> OST/B obtains S-1/S-2 decisions; passback to OAs/OST offices.
Sep 2001	<ul style="list-style-type: none"> OST/B & OAs submit FY 2003 budget to OMB.
Oct 2001 – Jan 2002	<ul style="list-style-type: none"> OMB reviews DOT budget. OST/B negotiates final budget with OMB.
Feb – Oct 2002	<ul style="list-style-type: none"> House/Senate Authorization/Appropriations Subcommittee Hearings on DOT/OA budgets House/Senate Appropriations Committees mark up DOT appropriations bills. OST/B responds to appropriation marks, soliciting input from Council(s), if possible within time constraints, on cross-cutting issues. Congress passes DOT Appropriations Act. President signs FY 2003 DOT Appropriations Act into law.

APPENDIX 1 - DEFINITIONS

Capital Programming	The overall process used to plan, budget for, acquire (whether through purchase or lease) and manage capital assets, regardless of type of funding involved.
Capital Assets	Land, structures, equipment, and intellectual property (including software) used by the Federal Government and having an estimated useful life of two years or more. Capital assets exclude items acquired for resale in the ordinary course of operations or held for the purpose of physical consumption, such as operating costs and supplies. The cost of a capital asset program includes its full life-cycle cost, including all direct and indirect costs for planning, procurement (purchase price and all other costs incurred to bring it to a form and location suitable for its intended use), operations and maintenance, including service contracts, and disposal.
Cross-Cutting Capital Investments	Investments in capital assets which affect multiple DOT organizations.
DOT Functional Councils and Committees	Intermodal organizations, including the Policy Council, the CFO Council, the CIO Council, the Research and Technology Coordinating Council, the Administrative Management Council, the Procurement Council, the Personnel Council, etc., that are responsible for reviewing investments within their functional disciplines for potential cross-cutting opportunities.
DOT Secretary's Management Council (SMC)	A deliberative body chaired by the Deputy Secretary and comprised of executives from the Operating Administrations and other Departmental offices, including the Assistant Secretary for Transportation Policy, the Chief Financial Officer, the Chief Information Officer, and the Assistant Secretary for Administration that, among other things, is responsible for overseeing the DOT capital programming process and reviewing cross-cutting investment opportunities.
DOT Organization	An operating administration (OA), a departmental or secretarial office, the Transportation Administrative Service Center (TASC), and the Bureau of Transportation Statistics (BTS).
Information Technology (IT)	Any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by an Executive Agency. Also, this applies under a contract with an Executive Agency, which requires either: (i) the use of such equipment or (ii) the use of such equipment, to a significant extent, to perform a service or furnish a product. This term includes computers, ancillary equipment, software, firmware and similar procedures, services (including support services, and related resources). Also, it refers to the hardware and software operated by a Federal Agency or by a contractor of a Federal Agency or other organization that processes information on behalf of the Federal Government to accomplish a Federal function, regardless of the technology involved, whether computers, telecommunications, or others.

APPENDIX 2 -- REFERENCES

Laws/Federal Capital Programming Guidance

1. OMB Circular A-11, Planning, Budgeting and Acquisition of Capital Assets, Part 3 at: <http://www.whitehouse.gov/omb/circulars/a11/99toc.html>
2. OMB Capital Programming Guide at: <http://www1.whitehouse.gov/OMB/circulars/a11/cpgtoc.html>
3. Government Performance and Results Act (GRPA) of 1993 at: <http://www.npr.gov/library/misc/s20.html>
4. Federal Acquisition Streamlining Act (FASA) of 1994 at: <http://www.dsmc.dsm.mil/jdam/contents/fasa.pdf>
5. Clinger-Cohen Act of 1996 (P.L. 104-106) at: http://www.cio.gov/docs/s1124_en.htm
6. Air Traffic Management System Performance Improvement Act (ATMPIA) of 1996 at: http://frwebgate.access.gpo.gov/cgi-bin/useftp.cgi?IPaddress=wais.access.gpo.gov&filename=publ264.104&directory=/d/skc/wais/data/104_cong_public_laws (See Title II.)
7. 14 U.S.C. 663 (Addresses submission of Coast Guard Capital Investment Plan and Information Resources Management Plan to Congress) at: http://uscode.house.gov/title_14.htm *
8. 49 U.S.C. 44501 (Addresses requirement for FAA Airway Capital Investment Plan) at: http://uscode.house.gov/title_49.htm *
9. 31 U.S.C. 1105(e) (Addresses requirement for Agency Capital Investment Program analysis and information) at: http://uscode.house.gov/title_31.htm *
10. Federal Aviation Administration Capital Programming Guidance:
 - a. Acquisition Management System at: <http://fast.faa.gov>
 - b. National Airspace System Architecture at: <http://www.nas-architecture.faa.gov/cats/>

* See the web site at: <http://uscode.house.gov/usc.htm> to perform a search of a specific portion of the United States Code.

IT-Specific Guidance

1. GSA Capital Planning and IT Investment Guide at: <http://www.gsa.gov/gsacio/capplan/98pg.pdf>
2. GAO Information Technology Investment Evaluation Guide at: <http://www.gao.gov/policy/itguide/homepage.htm>

The following table provides a cross-reference to documents pertaining to capital programming.

Process Requirements	OMB A-11	CCA*	GPRA	FASA/ATMPIA	OMB CP Guide/DOT Guidance
Agency mission			X		X
Agency goals			X		X
Agency objectives			X		X
Integrate decision making w/strategic plan, budget, asset mgmt and acquisition		X			X
Program Manager and Contracting Officer partnership					X
Use strategic investment criteria to assign investment priorities		X			X
Cross cutting review					X
Best value				X	X
Return on investment	X	X			X
Risk	X	X			X
Accurate, timely data for decision making		X	X		X
Timely reporting on cost, performance and schedule		X			X
Post Implementation Review		X			X
Documentation/Reporting Requirements					
Exhibit 52 ¹	X				
Exhibit 53 ¹	X				
Exhibit 300-B ¹	X				
Capital Programming Profile					X
Capital Plan ²	X	X			
Annual Performance Plan Report (including progress on meeting 90% of cost/schedule/performance goals) ³	X		X	X	

¹ To OMB with DOT annual budget submission

² To Congress with President's annual budget submission (Coast Guard and FAA only)

³ To SMC for review prior to submission to OMB/Congress

APPENDIX 3 - Website Library.

The Office of the CIO has developed and currently maintains a website to support capital programming (see the website at: <http://capprog.dot.gov> for information on the capital programming database).

1. The website will include the virtual DCP, comprised of individual DOT organization OCPs.
2. Links will be established to information pertaining to capital programming processes used by individual DOT organizations (e.g., Coast Guard capital programming policy). Information on the FAA's Acquisition Management System (AMS) can be found on the web at: <http://fast.faa.gov/ams/default.htm>.
3. Sample formats for use by DOT organizations in developing OCPs will be made available on the website. Such formats will cover the preparation of supporting documentation in key areas such as development of performance/capability requirements, acquisition plans (AP), cost benefit analyses (CBA), return on investment (ROI), life cycle cost estimates (LCCE) and acquisition program baselines (APB).

APPENDIX 4 – CAPITAL PROGRAMMING PROFILE

DOT Form 1380.1 - Capital Programming Profile

CPPs are required for IT investments greater than one million dollars in total life-cycle costs. They shall be prepared or updated, at a minimum, as part of the annual budget call, and should be updated as necessary as part of the budget allocation, and to reflect current program status and program evolution. New and updated postings should be provided specifically in advance of planned SMC meetings in the spring (preceding the upcoming budget submission) and in the fall (following DOT budget enactment/allocation). Also, postings should provide current information so that accurate cost, schedule, performance and other data on all programs addressed will be available in the electronic database whenever needed for reporting and use by the various councils.

- The CPP is currently available under the Capital Programming/Financial Profile hotlink on the Capital Programming website (<http://capprog.dot.gov>).
- The CPP calls for differing amounts of information depending on the dollar value of the capital asset. If there are existing organizational processes and structures that meet the requirements described in this guidance, they should be described in the OCP. Also, electronic (hot) links to documentation already prepared may be included in the CPP. Electronic links can facilitate the availability of information already developed.
- The CPPs comprise a database available on the website. The CPP database will be used as the basis of information for generating the Exhibits 52 and 53, and, as appropriate, for generating Exhibit 300B's to be included as part of the DOT budget submission.
- DOT Organizations are encouraged to use CPPs for non-IT investments as well.




See the following Form 1380.1, Capital Programming Profile.

APPENDIX 5 - Recommended Strategic Investment Criteria.




Recommended strategic investment criteria are provided for use in ***selection, control*** and ***evaluation*** of capital assets so that capital programming information is consistent, informative and reflects appropriate consideration of relevant factors in capital programming decisions made by DOT organizations.

Selecting Investments. The criteria covering Mission, Risk, and Return On Investment (ROI) should be considered by DOT organizations in selecting new investments, so that such investments will contribute materially and cost effectively to DOT organization/DOT missions, strategic goals and corporate objectives:

Mission: Investment shall be reviewed in light of its contribution to DOT organization/DOT missions.




Evaluation Factors	Investment Rating Basis	Supporting Materials
<ul style="list-style-type: none">• How directly does the investment support and contribute to mission effectiveness?• How will the investment's performance be measured to determine its effectiveness in achieving mission goals?• Were the results of post-implementation reviews for the same or similar assets considered?	<p> Green: Award this rating if there is a direct and influential relationship between the investment and the mission, and if the performance measures reflect a clear ability to determine if the investment contributes to achievement of the mission.</p> <p> Yellow: Award this rating if there is a support or indirect relationship between the investment and the mission, or if the performance measures only reflect an adequate ability to measure effectively how the investment contributes to mission goals.</p> <p> Red: Award this rating if there is little or no direct or influential relationship between the investment and the mission, or if the performance measures would not be adequate for determining how the investment would contribute to mission goals.</p>	<p>Review:</p> <ul style="list-style-type: none">• Performance/capability needed• DOT/DOT organization Strategic Plan Goals/ Performance Measures• Description of Investment, Purpose, and Business Case (including acquisition strategy)

Risk: Investment should be reviewed in light of the potential risk identified in terms of successfully deploying, or using, the investment to achieve DOT organization/DOT missions.

Evaluation Factors	Investment Rating Basis	Supporting Materials
<ul style="list-style-type: none"> Are all cost, schedule, performance, and other risks, defined? Are risk mitigation strategies proposed, and are they reasonable and fully assessed? 	 Green: Award this rating if the risk mitigation strategies are sound and comprehensive.  Yellow: Award this rating if the validity of some of the risk mitigation strategies is questionable.  Red: Award this rating if the risks are not identified, or if risk mitigation strategies are absent.	Review: <ul style="list-style-type: none"> Technical approach and risk associated with schedule and performance Affordability in terms of investment costs (total life cycle and contract), and other resource needs Project complexity Acquisition strategy and business impact IT architecture* IT security plan*




* For IT investments, the “risk” investment criteria should address IT architecture/infrastructure, security (i.e., its link to the IT architecture/infrastructure and the formulation of a security plan that includes consideration of life-cycle costs, an assessment of how security risks will be managed, and an approach for protecting privacy and confidentiality), and strategic and technological issues, including a strong preference for commercial alternatives if an acquisition alternative is to be pursued.

Return on Investment (ROI): Each investment should be reviewed in light of the contribution it makes toward mission achievement and the overall value received from the investment by the organization, as balanced against the total fiscal and personnel resources required to obtain, deploy, and operate it.




Evaluation Factors	Investment Rating Basis	Supporting Materials
<ul style="list-style-type: none"> Have sufficient quantitative and non-quantitative measures of valuation been used to determine the return on investment (ROI) to the organization? Do the quantitative and non-quantitative measures used indicate that the investment will provide a justifiable return relative to the investment level required? 	 Green: Award this rating if sufficient quantitative and non-quantitative ROI measures were used, and if they indicate a high return on investment.  Yellow: Award this rating if some ROI measures were used, or if only a moderate ROI is indicated.  Red: Award this rating if few or no ROI measures were used, or if they indicate a low return on investment.	Review: <ul style="list-style-type: none"> Cost/benefit analysis ROI calculations Non-quantitative value factors (intangibles) Net present value, internal rate of return, and payback period Acquisition strategy and business impact

Controlling Investments. The criteria covering Cost, Schedule, and Performance should be considered in controlling existing and in-process investments to ensure that established milestones are being met. This would be used to consider and implement possible investment and strategy changes so that DOT organization/DOT missions, strategic goals and corporate objectives can be met. It is critical that the selection criteria be re-validated as part of the control process.




Cost: Investment should be reviewed in light of the cost control practiced and results obtained.

Evaluation Factors	Investment Rating Basis	Supporting Materials
<ul style="list-style-type: none"> How thoroughly were budgeted and actual costs, and cost variances, recorded, accounted for, controlled, and managed? To what extent were investment costs successfully managed by responsible officials, including the program manager? Were actual costs within 10% of the planned budget? Were deviations exceeding 10% reported as required? If actual costs exceeded 10% of the planned budget, what was the reason? Were there special circumstances or justification why the planned budget was exceeded (such as Congressional direction)? 	<p> Green: Award this rating if costs are appropriately accounted for, controlled, and managed, and the original cost estimate has been met or is within 10% of its original baseline estimate.</p> <p> Yellow: Award this rating if costs are accounted for, controlled, and managed adequately, and if the cost variance is within 25% of the original baseline estimate.</p> <p> Red: Award this rating if costs are not properly accounted for, controlled, or managed, or if cost variances are not calculated, or if costs exceed 25% of the original baseline estimate.</p>	<p>Review:</p> <ul style="list-style-type: none"> Baseline budget estimates or projections Actual expenditure history and variance calculations Record of management actions based on actual versus projected cost experience (including any revisions to acquisition strategy and business impact)

Schedule: Investment should be reviewed in light of whether it was delivered and was operational on time.




Evaluation Factors	Investment Rating Basis	Supporting Materials
<ul style="list-style-type: none"> How well has the deployment of the investment adhered to the original project schedule? Were schedule slippages properly managed? Were schedule slippages exceeding 10% reported as called for? 	<p> Green: Award this rating if the original schedule was met or if any schedule slippages were within 10% of the original baseline.</p> <p> Yellow: Award this rating if the schedule is within 25% of the original baseline schedule and any schedule slippages were properly managed.</p> <p> Red: Award this rating if the schedule was delayed beyond 25% of the original baseline schedule, or if schedule slippages were poorly managed.</p>	<p>Review:</p> <ul style="list-style-type: none"> Project schedule plans, timelines, milestones, or Gantt charts Actual historical experience relative to the schedule for deployment, implementation and operation Record of management actions taken (including any revisions to acquisition strategy and business impact)

Performance: Investment should be reviewed in light of whether performance goals for the project were met or exceeded. For IT investments, particular attention should be focused on evaluating IT investments categorized as “major” in the Exhibit 53 of the budget submission in determining whether the statutory and DOT performance plan requirement of accomplishing 90% of cost and schedule goals without reducing performance or capability have been met.

Evaluation Factors	Investment Rating Basis	Supporting Materials
<ul style="list-style-type: none"> • Were original baseline performance goals, measures and indicators established for measuring progress or value of the investment to the mission being supported, meaningful? • Was the identification of performance measures and indicators clear? • Can it be readily ascertained if performance goals were not met, met or exceeded the established requirements? • Considering the maturity and status of the program, are performance goals not being met, being met, or being exceeded (and by how much)? • If significant aspects of established performance goals were not met, were they reported as required? 	<p> Green: Award this rating if a commendable job was done in identifying meaningful and clear baseline performance goals, measures, and indicators, and reports indicate complete or substantial attainment of the original performance goals and their related performance measures and indicators.</p> <p> Yellow: Award this rating if an acceptable job was done in identifying meaningful and clear baseline performance goals, measures, or indicators, and if reports indicate acceptable, but less than complete, achievement of the original performance goals based on their related performance measures and indicators.</p> <p> Red: Award this rating if a poor job was done in identifying meaningful and clear baseline performance goals, measures, or indicators, or if unsatisfactory progress has been made towards achieving those goals and measures, or if they were not properly tracked.</p>	<p>Review:</p> <ul style="list-style-type: none"> • Original performance goals, measures and indicators. • Reports on progress towards meeting original baseline design goals or performance measures or indicators. • Record of management actions taken (including any revisions to acquisition strategy and business impact)

Evaluating Investments. The criteria shown covering Post-Implementation Review (PIR) should be considered in order to determine to what extent the mature investment has made planned contributions to the DOT organization/DOT mission, strategic goals and corporate objectives. The PIR is a comprehensive look and assessment concerning how well the investment has performed after being fully implemented, completed and/or made operable. In conducting the PIR, conclusions should be drawn about the overall success of the investment after revisiting the strategic investment criteria which concern Mission, Risk, ROI, Cost, Schedule, and Performance (using current information and reports on each area). The conclusions drawn at the PIR phase of the investment are intended to be used by management to determine the future direction of the effort, as well as to apply lessons learned during the Selection and Control phases of the investment.

Post-Implementation Reviews (PIRs): Investment should be reviewed in light of how well the investment delivered has met original baseline benefits or expectations.

Evaluation Factors	Investment Rating Basis	Supporting Materials
<ul style="list-style-type: none"> Was a thorough and comprehensive investment PIR conducted? Was adequate documentation provided to assess investment success in terms of accomplishments in the areas of Mission, Risk, ROI, Cost, Schedule, and Performance? Based on the PIR, did the investment successfully deliver the end product in terms of the originally established cost, schedule and performance parameters? Did the investment make the expected contribution to the DOT organization/DOT mission, strategic goals and corporate objectives? Based on PIR's conducted, was constructive action taken to address/correct baseline breaches and other identified problems? 	<p> Green: Award this rating if a commendable job of conducting PIRs was done, and if those PIRs report and convincingly document attainment of DOT organization/DOT missions, strategic goals, corporate objectives, benefits, and expectations that were originally envisioned for the investment, and if those reviews have been used by management to intervene constructively in the investment process where problems needed to be addressed.</p> <p> Yellow: Award this rating if an acceptable job of conducting and documenting PIRs was done, and if those PIRs report and document acceptable accomplishment of DOT organization/DOT missions, strategic goals, corporate objectives, benefits and expectations that were originally envisioned for the program, and if the PIRs have been used adequately by management to address and correct identified problems with the investment.</p> <p> Red: Award this rating if no PIRs were performed, or if reported PIRs are not adequately documented, or if the results of PIRs have not been used adequately by management to address and correct problems.</p>	<p>Review:</p> <ul style="list-style-type: none"> PIRs and supporting documentation Management action based on PIR activity and documentation.